

CLAY COUNTY DEVELOPMENT AUTHORITY
IRB, PROJECT, & ORGANIZATION FINANCING COMMITTEE

MINUTES

October 19, 2016

Present: Rev. Bill Randall, Russell Buck, Mike Davidson

Staff: April Scott, Josh Cockrell, Taylor Mejia

Guests: Stephen Nebrat

Call to Order: **Rev. Bill Randall** called the Clay County Development Authority (“CCDA”) IRB, Project, & Organization Finance Committee Meeting to order at 3:02 PM.

Comments from the Public: None.

Approval of September 21, 2016 Minutes: **Russell Buck** made a motion to approve the September 21, 2016 minutes. Motion seconded and passed unanimously.

Updates Since Last Meeting

Auto Finance Program – Russell Buck suggested that until there was further resolution regarding the status of the CCDA building, that the program be given smaller amounts in incremental portions (50K as opposed to 100K). The committee continued to discuss the structure and requirements for the loan program. The committee agreed to postpone making a recommendation to the Board until the November meeting.

Investment Opportunities

Industrial Revenue Bonds – Josh Cockrell disbursed the current IRB guidelines and procedures to the committee. He requested that each member identify potential IRB prospects. He also stated that he would conduct cold calls as well if necessary. Given the current financial status, IRB’s will need to be done to keep money coming in. **Rev. Bill Randall** asked if the Board had the necessary staff to conduct multiple IRB’s. **Josh Cockrell** stated that the process is not tedious and the Board has the staff necessary. The committee continued to discuss potential prospects including; The Institute for Growth and Development, Micro Tech, Orange Park Performing Arts Academy, and Haven Hospice. **Russell Buck** suggested gaining access to a list of non-profits in the area. **Rev. Bill Randall** asked if the CCDA could issue an IRB to itself. The committee discussed that a bank would most likely not accept the CCDA because there is not an existing stream of revenue. The committee also discussed Clay County and CCDA terms that limit the maximum monetary amount that IRB’s can distribute as well as other guidelines.

Options for CCDA Building – Josh Cockrell stated that the CCDA now owns the building. He also said that it would not be beneficial to keep the building and lease to multiple tenants. The committee continued to discuss fees associated with the building, like dumpster fees, landscaping,

and utilities. Steven Nebrat explained the different options for leasing the building to a single tenant as well as selling the building. Steven Nebrat distributed a report of comparable leases in the surrounding area to the committee. He suggested to list the building for sale at \$675K or at \$95 - \$110 per sq foot. The committee continued to discuss potential pitfalls in selling the building including the parking lot and other building improvements. **Russell Buck** stated that the preferred choice would be to sell the building instead of leasing it. The committee agreed to recommend to the Board that the CCDA should either list the building for sale or for lease to a single tenant immediately.

Adjourned: 4:00 PM.